

Office of Finance and Resource Management

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Description	FY 2003 Actual	FY 2004 Approved	FY 2005 Proposed	% Change from FY 2004
Operating Budget	\$159,179,890*	\$3,702,644	\$188,408,406*	4,988.5
FTEs	37.0	39.0	41.0	5.1

*Includes the central payment of fixed costs on behalf of District agencies.

The mission of the Office of Finance and Resource Management (OFRM) is to provide full service financial and resource management to District of Columbia government agencies.

OFRM is committed to providing timely efficient and accurate fiscal oversight and management in central payments, shared services, resource management, and capital infrastructure.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- As the cluster agency for Government Direction and Support, under the direction of the Associate Chief Financial Officer, build and maintain partnerships with client agencies by improving communications, accurate, and providing timely fiscal information, and educating OFRM employees in the fiscal and programmatic needs of our client agencies.
- Improve the platform for vital information storage and statistical analysis that will help refine a centralized fixed cost budget and allow for the most efficient forecasting and distribution of scarce fixed cost resources.
- Promote timely fiscal reporting and clarity of utility billing to clients by providing on-line services for reviewing agencies' accounts and to certify utility billing.
- Continue to build the internal capacity of OFRM financial systems, refine closings, and enhance financial reporting through continued education and training of OFRM employees.

Funding by Source

Tables AS0-1 and 2 show the sources of funding and FTEs by fund type for the Office of Finance and Resource Management.

Table AS0-1

FY 2005 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from 2004	Percent Change
General Fund						
Local Fund	2,000	1,845	1,900	4,411	2,511	132.2
Special Purpose Revenue Fund	174	514	665	964	299	44.9
Total for General Fund	2,174	2,358	2,565	5,375	2,810	109.6
Intra-District Fund	149,849	156,822	1,138	183,033	181,896	15,988.9
Total for Intra-District Funds	149,849	156,822	1,138	183,033	181,896	15,988.9
Gross Funds	152,023	159,180	3,703	188,408	184,706	4,988.5

Table AS0-2

FY 2005 Full-Time Equivalent Employment Levels

Appropriated Fund	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from 2004	Percent Change
General Fund						
Local Fund	35	37	26	32	6	24.0
Total for General Fund	35	37	26	32	6	24.0
Intra-District Funds						
Intra-District Fund	0	0	13	9	-4	-32.7
Total for Intra-District Funds	0	0	13	9	-4	-32.7
Total Proposed FTEs	35	37	39	41	2	5.1

Expenditure by Comptroller Source Group

Table AS0-3 shows the FY 2005 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table AS0-3

FY 2005 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2002	Actual FY 2003	Approved FY 2004	Proposed FY 2005	Change from 2004	Percent Change
11 Regular Pay - Cont Full Time	1,723	2,187	2,411	2,584	173	7.2
12 Regular Pay - Other	256	0	0	0	0	0.0
13 Additional Gross Pay	28	9	0	0	0	0.0
14 Fringe Benefits - Curr Personnel	285	365	352	389	37	10.5
15 Overtime Pay	9	2	24	23	0	-1.2
Subtotal Personal Services (PS)	2,300	2,563	2,787	2,996	210	7.5
20 Supplies And Materials	22	18	22	35	13	59.1
30 Energy, Comm. And Bldg Rentals	46,384	54,226	698	68,146	67,448	9,666.0
31 Telephone, Telegraph, Telegram, Etc	25,533	25,390	42	30,034	29,992	71,066.1
32 Rentals - Land And Structures	74,038	75,265	81	87,000	86,919	107,307.4
33 Janitorial Services	16	10	19	19	0	-1.0
34 Security Services	21	16	21	26	5	23.1
35 Occupancy Fixed Costs	0	0	0	40	40	100.0
40 Other Services And Charges	177	92	33	61	28	84.0
41 Contractual Services - Other	3,533	1,540	0	52	52	100.0
70 Equipment & Equipment Rental	0	60	0	0	0	0.0
Subtotal Nonpersonal Services (NPS)	149,724	156,617	916	185,412	184,496	20,139.5
Total Proposed Operating Budget	152,023	159,180	3,703	188,408	184,706	4,988.5

Gross Funds

The proposed budget is \$188,408,406 representing a change of 4,988.5 percent from the FY 2005 approved budget of \$3,702,644. There are 41.0 total FTEs for the agency, an increase of two, or 5.1 percent, from FY 2004 approved budget.

General Fund

Local Funds - The proposed budget is \$4,410,842 representing a change of 132.2 percent from the FY 2004 budget of \$1,899,546. There are 32.25 FTEs for the agency, an increase

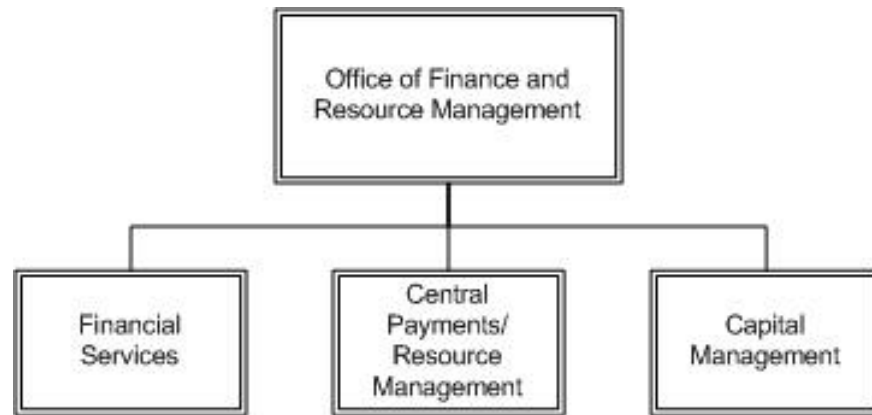
of 6.25, or 24 percent, from the FY 2004. The increase is primarily due to projected higher natural gas fixed costs paid by OFRM on behalf of the District. The Local funds budget also includes \$197,000 and three FTEs within the agency's Financial Services program to provide expanded financial management services to District's State Education Office (GD0). Funding for this activity is available through a transfer from Public Charter Schools (GC0).

Changes from the FY 2004 approved budget are:

- An increase of \$1,751,000 based an anti-

Figure AS0-1

Office of Finance and Resource Management



pated increase in natural gas fixed costs paid by OFRM on behalf of the District. This increase is an addition to the Intra-District natural gas fixed payments collected from District agencies by OFRM to pay this cost.

- An increase of \$593,797 and 6 FTEs to reflect the transfer of Indirect Cost Recovery (IDCR) funds from the Intra-District budget. This includes a grants analyst transferred from OCFO's Office of Research and Analysis. IDCR funding is based on OFRM's financial management services on behalf of client agencies that receive federal/private grant dollars.
- An increase of \$182,306 in personal services to reflect Schedule A requirements including the 2.5 percent nonunion pay increase.
- A reduction of \$15,000 based on revised occupancy fixed cost.
- A net reduction of \$807 in nonpersonal services that includes fixed costs based on projections from OPM and OCTO.
- An increase of 0.25 FTE to reflect a position partially funded by Local Funds.

Special Purpose Revenue Funds: The proposed budget is \$964,334, representing a change of 44.9 percent from the FY 2004 approved budget of \$665,460. These funds reflect energy fixed cost payments paid by federal agencies that occupy District facilities. There are no FTEs for this fund.

Changes from the FY 2004 approved budget

are:

- An increase of \$298,874 to reflect certification by the Office of Research and Analysis.

Intra-District Funds

Intra-District - The proposed budget is \$183,033,230 representing a change of 15,984 percent from the FY 2004 budget of \$1,137,638. There are 8.75 FTEs for the agency, an increase of 4.0, or 32.7 percent, from FY 2004 approved budget.

Changes from the FY 2004 approved budget are:

- An increase of \$182,355,000 to reflect the central payment of fixed costs on behalf of District agencies. Central payment of fixed costs was not previously budgeted. For FY 2005, this item is budgeted to accurately reflect the fixed cost expenditures made on behalf of District agencies.
- A net reduction of \$459,408 based on the transfer IDCR funding and FTEs to the Local funds budget. This also includes the addition of the Financial Manager for the D.C. Office of Personnel (DCOP) to OFRM's payroll. As a result, DCOP will pay for this position through an inter-agency agreement with OFRM.
- An increase of 0.75 FTE to reflect a position partially funded by Intra-District funds.

Programs

The Office of Finance and Resource Management operates the following programs:

Financial Services

The Financial Services program provides financial management for client agencies, which includes the following: financial reviews, personnel actions, purchase orders and requisitions, outstanding encumbrances, overtime analysis and grant status. Executive summary and Financial Review Reports (FRP) are produced quarterly.

Resource Management/Central Payments

The Resource Management/Central Payments program ensures that District government agencies receive full and fair value for goods and services that are procured in relation to fixed costs expenditures. These include utilities such as electricity, telephone, fuel, natural gas, water, and steam as well as other fixed costs such as postage, custodial rent, security, occupancy and building maintenance. It accounts for the use of all dollars expended from the budget of OFRM client agencies for fixed cost and identifies waste, fraud and abuse where possible.

Key initiatives associated with the Central Payment program are:

- Crafting the structure for development of improved fixed costs forecasts for FY 2005.
- Conducting due diligence to ensure that billing errors are identified.
- Reexamining existing process to identify business process reengineering opportunities.

Capital Management

The capital management program monitors capital expenditures against the budget and provides for feedback to assure adequate reporting for performance and costs. It assists with planning, budgeting, scheduling and evaluating productivity and progress of capital activities. The program coordinates the development of the annual capital budget for numerous District agencies on behalf of the Office of Property Management, and identifies funding sources for proposed new projects either from existing authority or as a new submission in the six-year capital improvements

plan request.

A key initiative associated with the Capital Management Program is:

- Improving three-tiered training for employees using the System of Accounting and Reporting and Executive Information Systems.

Agency Goals and Performance Measures

Goal 1: Promote efficient and effective delivery of government services through timely processing of purchase requests and financial reporting and guidance.

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Mohamed A. Mohamed, Director of Financial Operations, Office of Finance and Resource Management

Supervisor(s): Supervisor(s) Barbara Jumper, Associate Chief Financial Officer,

Measure 1.1: Percentage of agencies compliant with the Anti-Deficiency Act

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	100	100	100	100	100
Actual	100	100	-	-	-

Measure 1.2: Percentage of client agency complaints

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	3	3	3	3	3
Actual	1	3	-	-	-

Measure 1.3: Shared Services: Number of "client offices served by OFRM"

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	21	26	27	27	27
Actual	21	27	-	-	-

Measure 1.4: Central Payment Services: Percent of Intra-District payments processed

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	95	95	95	95	98
Actual	95	98	-	-	-

Measure 1.5: Number of monthly closings completed

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	12	12	12	12	9
Actual	12	9	-	-	-

Measure 1.6: Percent of Financial Reports submitted to agencies on time

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	100	100	100	100	100
Actual	100	100	-	-	-

Measure 1.7: OFRM Internal Operations: Average number of days to process requisitions and purchase orders

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	2	2	2	2	2
Actual	2	2	-	-	-

Measure 1.8: Number of financial audits for Utility Accounts

	2002	2003	Fiscal Year		
			2004	2005	2006
Target	4	4	3	3	3
Actual	2	3	-	-	-